

PROPOSED CONSTITUTIONAL AMENDMENTS

SENATE JOINT RESOLUTIONS

S.J.R. No. 7

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing line-of-credit advances under a reverse mortgage.

BE IT RESOLVED BY THE Legislature of the State of Texas:

SECTION 1. Subsection (p), Section 50, Article XVI, Texas Constitution, is amended to read as follows:

(p) The advances made on a reverse mortgage loan under which more than one advance is made must be made according to the terms established by the loan documents by one or more of the following methods:

- (1) *an initial advance at any time and future advances at regular intervals;*
- (2) *an initial advance at any time and future advances at regular intervals in which the amounts advanced may be reduced, for one or more advances, at the request of the borrower; [or]*
- (3) *an initial advance at any time and future advances at times and in amounts requested by the borrower until the credit limit established by the loan documents is reached;*
- (4) *an initial advance at any time, future advances at times and in amounts requested by the borrower until the credit limit established by the loan documents is reached, and subsequent advances at times and in amounts requested by the borrower according to the terms established by the loan documents to the extent that the outstanding balance is repaid; or*
- (5) at any time by the lender, on behalf of the borrower, if the borrower fails to timely pay any of the following that the borrower is obligated to pay under the loan documents to the extent necessary to protect the lender's interest in or the value of the homestead property:
 - (A) taxes;
 - (B) insurance;
 - (C) costs of repairs or maintenance performed by a person or company that is not an employee of the lender or a person or company that directly or indirectly controls, is controlled by, or is under common control with the lender;
 - (D) assessments levied against the homestead property; and
 - (E) any lien that has, or may obtain, priority over the lender's lien as it is established in the loan documents.

SECTION 2. Section 50, Article XVI, Texas Constitution, is amended by adding Subsection (v) to read as follows:

(v) *A reverse mortgage must provide that:*

- (1) *the owner does not use a credit card, debit card, preprinted solicitation check, or similar device to obtain an advance;*
- (2) *after the time the extension of credit is established, no transaction fee is charged or collected solely in connection with any debit or advance; and*
- (3) *the lender or holder may not unilaterally amend the extension of credit.*

PROPOSED CONSTITUTIONAL AMENDMENTS

S.J.R. 21, § 2

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing line-of-credit advances under a reverse mortgage."

Adopted by the Senate on March 3, 2005: Yeas 30, Nays 0; the Senate concurred in House amendment on May 9, 2005: Yeas 31, Nays 0; adopted by the House, with amendment, on May 2, 2005: Yeas 142, Nays 0, three present not voting.

Filed with the Secretary of State May 11, 2005.

S.J.R. No. 17

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the denial of bail to a criminal defendant who violates a condition of the defendant's release pending trial.

BE IT RESOLVED BY THE Legislature of the State of Texas:

SECTION 1. Article I, Texas Constitution, is amended by adding Section 11b to read as follows:

Sec. 11b. VIOLATION OF CONDITION OF RELEASE PENDING TRIAL; DENIAL OF BAIL. Any person accused of a felony in this state who is released on bail pending trial and whose bail is subsequently revoked or forfeited for a violation of a condition of release may be denied bail pending trial on a determination by a district judge in this state, at a subsequent hearing to set or reinstate bail, that the person violated a condition of release related to the safety of a victim of the alleged offense or to the safety of the community.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 8, 2005. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the denial of bail to a criminal defendant who violates a condition of the defendant's release pending trial."

Adopted by the Senate on April 7, 2005: Yeas 25, Nays 0; adopted by the House on May 9, 2005: Yeas 143, Nays 0, two present not voting.

Filed with the Secretary of State May 11, 2005.

S.J.R. No. 21

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to define rates of interest for commercial loans.

BE IT RESOLVED BY THE Legislature of the State of Texas:

SECTION 1. Section 11, Article XVI, Texas Constitution, is amended to read as follows:

Sec. 11. (a) The Legislature shall have authority to define interest and fix maximum rates of interest; provided, however, in the absence of legislation fixing maximum rates of interest all contracts for a greater rate of interest than ten per centum (10%) per annum shall be deemed usurious; provided, further, that in contracts where no rate of interest is agreed upon, the rate shall not exceed six per centum (6%) per annum.

(b) *Notwithstanding Subsection (a) of this section, the Legislature, with respect to commercial loans, may create exemptions from the maximum rates of interest. For purposes of this subsection, "commercial loan" means a loan made primarily for business, commercial, investment, agricultural, or similar purposes and not primarily for personal, family, or household purposes.*

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The ballot shall be printed to permit voting for or